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Message Text

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ORIGIN COME-00

INFO OCT-01 EB-08 EA-10 SS-15 STR-07 TRSE-00 ISO-00
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E.O. 11652: N/A

TAGS: BEXP, JA, ETRD

SUBJECT: TRADE FACILITATION COMMITTEE CASE - UNION CARBIDE

1. SUMMARY: COMMERCE (USDOC) FORWARDING NEW CASE FOR TFC CONSIDERATION CONCERNING CUMBERSOME JAPANESE CUSTOMS CLEARANCE REQUIREMENTS FOR IMPORTS OF COMPRESSED GASES IN CYLINDERS. END SUMMARY.

2. UNION CARBIDE CORPORATION, NATIONAL SPECIALTY GAS OFFICE,WROTE USDOC MAY 15 ABOUT THE BURDENSOME DOCUMENTA-TION REQUIREMENTS THEY ENCOUNTER WHEN EXPORTING COMPRESSED GASES TO JAPAN. REQUEST EMBASSY PRESENT CASE ON BEHALF OF
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UNION CARBIDE TO JAPANESE SIDE OF TFC ALONG FOLLOWING LINES: BEGIN TEXT.

A. SUMMARY OF CASE: EXHAUSTIVE AND UNNECESSARY DOCU-MENTATION REQUIREMENTS FOR CUSTOMS CLEARANCE SUBSTANTIALLY COMPLICATE ACCESS TO THE JAPANESE MARKET FOR AMERICAN EXPORTERS OF COMPRESSED GASES IN CYLINDERS. UNION CARBIDE

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IS BRINGING THIS CASE.

B. FACTS OF CASE:

(1) IN ORDER TO CLEAR COMPRESSED GASES IN CYLINDERS

THROUGH JAPANESE CUSTOMS, JAPANESE IMPORTERS OF FOREIGN-MADE CYLINDERS MUST PROVIDE THE FOLLOWING DOCUMENTS: (A) A COPY OF THE MANUFACTURER'S TEST REPORT ON EACH CYLINDER SHIPPED; (B) CYLINDER AND VALVE DRAWINGS; (C) A FILLING CERTIFICATE AND (D) AN INSPECTION CERTIFICATE OR CERTIFICATE OF CONTENT. U.S. CUSTOMS HAS NO SIMILAR DOCUMENTATION REQUIREMENTS, EXCEPT THAT A SHIPPING INVOICE MUST BE SHOWN AT THE PORT OF EMTRY.

(2) UNION CARBIDE HAS MILLIONS OF GAS CYLINDERS -- SOME OF WHICH ARE 50-60 YEARS OLD -- IN INTRASTATE, INTERSTATE AND INTERNATIONAL COMMERCE. ONE HUNDRED TO ONE HUNDRED-FIFTY OF THESE CYLINDERS ARE SHIPPED ON THE AVERAGE TO JAPAN EACH YEAR. ALL CYLINDERS ARE MANUFACTURED TO U.S. DEPARTMENT OF TRANSPORTATION MINIMUM SPECIFICATIONS, AND THEY ALSO MUST MEET JAPANESE STANDARDS. ALL CYLINDERS ARE TESTED BY THE MANUFACTURER; THE INITIAL TEST DATE AND ALL SUBSEQUENT HYDROSTATIC TEST DATES ARE STAMPED ON THE CYLINDER. IN COMPLIANCE WITH JAPANESE REGULATIONS, UNION CARBIDE ONLY SHIPS CYLINDERS TO JAPAN WHICH HAVE BEEN
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HYDROSTATICALLY TESTED WITHIN FIVE YEARS OF SHIPMENT.

(3) THE REQUIREMENT THAT A MANUFACTURER'S TEST REPORT FOR EACH SERIAL NUMBERED CYLINDER BE RETRIEVED FROM REMOTE COMPANY FILES OR FROM THE MANUFACTURER FOR CUSTOMS CLEARANCE PURPOSES CAUSES SUBSTANTIAL DELAYS IN FILLING ORDERS FOR JAPANESE SPECIALTY GAS CUSTOMERS. THESE DELAYS AVERAGE TWO-TO-THREE MONTHS FROM DATE OF PURCHASE.

(4) THE PURPOSE OF THE MANUFACTURER'S TEST REPORTS IS TO INDICATE THAT GAS CYLINDERS MEET MINIMUM SPECIFICATION REQUIREMENTS. SINCE EACH PARTICULAR STYLE OF CYLINDER (E.G., THE "LK" STYLE CYLINDER) IS MANUFACTURED ACCORDING TO STANDARD SPECIFICATIONS WHICH DO NOT CHANGE WITH CYLINDER SERIAL NUMBERS, ALL MANUFACTURER'S TEST REPORTS FOR A GIVEN STYLE CYLINDER PROVIDE ESSENTIALLY THE SAME INFORMATION. NINETY-FIVE PERCENT OF THE CYLINDERS UNION CARBIDE SHIPS TO JAPAN ARE EITHER "LK" OR "T" STYLE CYLINDERS. UNION CARBIDE RECENTLY ATTEMPTED TO PROVIDE "TYPICAL" MANUFACTURER'S TEST REPORTS FOR A GIVEN STYLE OF CYLINDER, BUT THESE WERE NOT ACCEPTED BY THE JAPANESE CUSTOMS AUTHORITIES.

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(5) THE FILLING CERTIFICATE, INSPECTION CERTIFICATE AND CERTIFICATE OF CONTENT PROVIDE ESSENTIALLY THE SAME INFORMATION.

C. DISCUSSION:

(1) JAPANESE CUSTOMS' DOCUMENTATION REQUIREMENTS FOR COMPRESSED GASES IN CYLINDERS IMPOSE A SIGNIFICANT AND UNREASONABLE BURDEN ON U.S. EXPORTERS OF SPECIALTY GASES. UNION CARBIDE EXPORTS COMPRESSED GAS CYLINDERS TO COUNTRIES THROUGHOUT THE WORLD AND ONLY IN JAPAN MUST FACE SUCH BURDENSOME REQUIREMENTS. U.S. CUSTOMS MAKES NO SIMILAR DEMANDS FOR DOCUMENTATION TO FOREIGN COMPANIES
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EXPORTING GAS CYLINDERS TO THE U.S.

(2) AMERICAN GAS CYLINDERS ARE MANUFACTURED TO U.S. DEPARTMENT OF TRANSPORTATION SPECIFICATIONS WHICH ARE SUBSTANTIALLY EQUIVALENT TO JAPANESE STANDARDS. AMERICAN GAS CYLINDERS MUST BE HYDROSTATICALLY RE-TESTED PERIODICALLY, AND THE RE-TEST DATES ARE STAMPED ON THE CYLINDER TO VERIFY THAT THIS HAS BEEN DONE. THUS, THE STAMPED RE-TEST DATE PROVIDES THE MOST UP-TO-DATE CONFIRMATION THAT A PARTICULAR GAS CYLINDER IS STURDY AND SAFE.

(3) WITH MILLIONS OF CYLINDERS, SOME OVER 50 YEARS OLD, IN INTERSTATE AND INTERNATIONAL COMMERCE, UNION CARBIDE HAS DEMONSTRATED THE SAFETY AND RELIABILITY OF ITS CONTAINERS.

(4) SINCE ALL GAS CYLINDERS OF A GIVEN STYLE (E.G., "LK" STYLE) ARE MANUFACTURED TO MINIMUM SPECIFICATIONS, EACH ORIGINAL MANUFACTURER'S TEST REPORT FOR CYLINDERS OF THE SAME STYLE PROVIDES ESSENTIALLY THE SAME INFORMATION. HOWEVER, WHEN UNION CARBIDE ATTEMPTED TO PROVIDE A "TYPICAL" MANUFACTURER'S TEST REPORT COVERING ALL CYLINDERS OF STYLE "LK" TO JAPANESE CUSTOMS AUTHORITIES, IT WAS NOT ACCEPTED. THE ELIMINATION OF THIS REQUIREMENT WOULD SUBSTANTIALLY FACILITATE U.S. EXPORTS OF COMPRESSED GASES TO JAPAN.

(5) THE FILLING CERTIFICATE, INSPECTION CERTIFICATE AND CERTIFICATE OF CONTENT ARE ESSENTIALLY DUPLICATIVE. A DECISION TO ELIMINATE THESE REQUIREMENTS, OR TO REQUIRE ONLY ONE OF THE ABOVE, WOULD ALSO SIMPLIFY THE CUSTOMS CLEARANCE PROCESS.
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D. RELIEF SOUGHT:

(1) JAPANESE CUSTOMS AUTHORITIES SHOULD ACCEPT A "TYPICAL" MANUFACTURER'S TEST REPORT FOR A GIVEN STYLE CYLINDER IN LIEU OF THE ORIGINAL MANUFACTURER'S TEST REPORT (SERIAL NUMBERED).

(2) JAPANESE CUSTOMS AUTHORITIES SHOULD REQUIRE ONLY ONE OF THE FOLLOWING DOCUMENTS FOR CUSTOMS CLEARANCE: THE CERTIFICATE OF CONTENT, THE INSPECTION CERTIFICATE OR THE FILLING CERTIFICATE. END TEXT.

3. UNION CARBIDE SUGGESTS EMBASSY CONTACT N. ENOMOTO OR T. SHIMOZAKI, AT 3-20, TORANOMON 4-CHOME, MINATO-KU, TOKYO 105; (TEL) 03-431-7281 FOR ADDITIONAL INFORMATION THAT MAY BE NEEDED AS A RESULT OF NEGOTIATIONS WITH GOJ.

4. ACCORDING TO OUR INFORMATION MITI MAY HAVE SOME JURISDICTION OVER THIS PROBLEM. WE ALSO UNDERSTAND THAT ENFORCEMENT OF CUSTOMS DOCUMENTATION REQUIREMENTS IS LARGELY LEFT UP TO THE PREFECTURAL AUTHORITIES IN EACH PORT OF ENTRY.

5. ACTION REQUESTED: EMBASSY IS REQUESTED TO SUBMIT ABOVE CASE TO JAPANESE SIDE OF TFC. VANCE

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Message Attributes

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Control Number: n/a
Copy: SINGLE
Draft Date: 28 jun 1978
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Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
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Disposition History: n/a
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Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2133809
Secure: OPEN
Status: NATIVE
Subject: TRADE FACILITATION COMMITTEE CASE - UNION CARBIDE
TAGS: BEXP, ETRD, JA
To: TOKYO
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/db0c077c-c288-dd11-92da-001cc4696bcc
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